VZCZCXRO5295

OO RUEHAG RUEHBC RUEHDE RUEHKUK RUEHROV
DE RUEHLB #0942/01 1791836

ZNY CCCCC ZZH
O 271836Z JUN 08
FM AMEMBASSY BEIRUT
TO RUEHC/SECSTATE WASHDC IMMEDIATE 2353
INFO RUEHEE/ARAB LEAGUE COLLECTIVE PRIORITY
RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY
RUCNDT/USMISSION USUN NEW YORK PRIORITY 2547
RUEKJCS/SECDEF WASHDC PRIORITY
RUEHNO/USMISSION USNATO PRIORITY 2844
RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY
RHEHAAA/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 BEIRUT 000942

SIPDIS

DEPT FOR P, NEA/FO, NEA/ELA ALSO FOR A/S SILVERBERG AND PDAS WARLICK NSC FOR ABRAMS/SINGH/GAVITO/YERGER USUN FOR KHALILZAD/WOLFF/PHEE/KUMAR

E.O. 12958: DECL: 06/27/2018

TAGS: PGOV MCAP PINR PREF PREL PTER LE KU OA SA
SY, TC

SUBJECT: LEBANON: PM'S AIDE ON CABINET, VIENNA PLEDGES, SHEBA'A

Classified By: CDA MICHELE J. SISON FOR REASONS 1.4 (b) (d)

SUMMARY

- 11. (C) PM Siniora's senior aide Mohamed Chatah said Michel Aoun has agreed to withdraw his demand for a sovereign ministry in the new cabinet, but in return wants the public works portfolio as well as the telecommunications portfolio that Siniora has already offered him. March 14 is favorably disposed to allowing Aoun to name the deputy prime minister, but current DPM Elias Murr (independent, not March 14) has objected. The GOL is following up with Gulf states on a contribution for Nahr al-Barid and wants the assistance to be in the form of grants, not loans.
- 12. (C) On Sheba'a, Chatah repeated the GOL's negative view on any form of contact between Lebanon and Israel, saying implementation of UNSCR 1701 with the help of the UN SYG is the better approach. He was similarly pessimistic about forcing Syria to cooperate, on border delineation for example. Would it cause Israel to withdraw from Sheba'a or the USG to change its position, he asked? He blamed Hizballah for the violence in Lebanon over the last two months. What has happened tracks with Hizballah's long time goal of discrediting state institutions without provoking widespread chaos, he stated. Chatah discounted the rumor that he would be a member of the new cabinet. End Summary.
- 13. (C) Charge and DCM met June 27 wth Mohamed Chatah, senior aide to PM-designate Sniora, for a ninety-minute wide-ranging discussion that covered cabinet formation, the Vienna donors' conference on Nahr al-Barid, Palestinian refugee camp reconstruction, Sheba'a Farms, Lebanese-Israeli issues and the recent violence in Lebanon. Chatah fielded several phone calls during the meeting. One came from majority leader Saad Hariri, who has been in Saudi Arabia for about one week and whom Chatah thought would be returning to Lebanon soon. Another was from the Japanese Ambassador to announce a \$1 million Japanese pledge to the Special Tribunal for Lebanon.

CABINET: AOUN BACKS DOWN ON DEMAND FOR SOVEREIGN MINISTRY

14. (C) Chatah had just come from a cabinet formation negotiation session with Gebran Bassil, a senior representative of Michel Aoun. Chatah himself had met Aoun the previous day. Aoun has dropped his demand that he name

one of the four "sovereign" ministers, Chatah said, but there is still wrangling over portfolios. The majority March 14 bloc is willing to offer Aoun either the telecommunications or public works portfolios but not both, and Aoun is asking for both as the price for not getting a sovereign portfolio. There has been talk about allowing Aoun to name the Deputy Prime Minister, a largely honorific position with no real power, as a sweetener to win his agreement on a cabinet lineup. Chatah indicated that March 14 was willing to do this. However, there is a problem: current Deputy Prime Minister and Defense Minister Elias Murr was not consulted about the idea and he objects. Murr argues, according to Chatah, that the symbolic value of the DPM positon will be important for him in the 2009 electio in his Meth district, where the race between March 14 and opposition Christian candidates is expected to be close. Cabinet negotiations are continuing; Chatah returned to another cabinet negotiation session at the end of our meeting after receiving a phone call from the PM.

VIENNA CONFERENCE ON NAHR AL-BARID

15. (C) Charge asked Chatah about next steps in approaching Gulf states to make larger pledges toward reconstruction of Nahr al-Barid. At the June 23 Vienna donors conference on Nahr al-Barid, the pledges from Saudi Arabia, Kuwait, Qatar, and the UAE were not announced, at Lebanese request, because the GOL thought their proposed pledges were disappointingly low. As a next step, the GOL is "repackaging" its request to better fit the requirements of funding sources like the Kuwait Fund and to elicit higher pledges. Lebanon is trying

BEIRUT 00000942 002 OF 003

to present projects that the Gulf states can fund, rather than approach them to make a "political" donation, Chatah said. The donations must be grants; "we are not going to entertain loans". Final count, said Chatah, was not/not \$122 mm, as had been announced in Vienna, but \$115.3 mm (difference was due to erroneous double counting).

16. (C) PM Siniora will not be traveling to the Gulf states to seek the additional funds, said Chatah. He thinks Siniora should not have traveled to Vienna for the donors conference given Siniora's caretaker PM status and the violence that was taking place in Tripoli on the days Siniora was away.

TALKS WITH ISRAEL; FORCING SYRIA TO DELINEATE BORDER WOULD NOT ACCOMPLISH MUCH

- 17. (C) Charge asked about GOL's willingness to engage in even indirect talks with Israel. Chatah argued against it, noting that UNSCR 1701 does not call for any form of talks between Lebanon and Israel, but does call on the UNSYG to initiate contact with both sides. Further, the GOL's perception is that Israel does not want to withdraw from Sheba'a except in the context of a larger solution of Hizballah's arms, defined borders between Israel and Syria and other issues. The way to begin talking about Lebanese-Israeli issues such as Sheba'a, border demarcation and overflights of Lebanon is implementation of 1701, he said.
- 18. (C) The issue of Hizballah's arms is linked to the fact, said Chatah, that most people in the south genuinely believe, given three decades of experience, that their security is at risk from Israel and that the GOL cannot protect them. If people really believed they are protected, it would weaken Hizballah's case, but how to do this in a way that will be credible to the citizenry? Although he acknowledged Cheye's point regarding USG assistance to the Lebanese Army and Police, Chatah's answer is that there needs to be "something big"—an international solution for Lebanon that will provide a credible vision of security. This might weaken Hizballah's influence. If Syria agreed on the border, Chatah asked, would Israel withdraw? Would the USG change its position? It is not at all clear that delineation would put pressure on

Syria or cause action by Israel, he argued.

19. (C) Chatah added that it is risky to have "lots of talk" about possible progress on Sheba'a, as there has been recently, without any progress. For one thing, Hizballah has reacted with annoyance, lashing out criticizing the GOL's stand on Sheba'a and saying that Hizballah must continue to exist even if the Sheba'a question. Better off not talking about Sheba'a so much if there is not likely to be progress, he concluded.

CALIBRATED VIOLENCE IS PART OF HIZBALLAH'S PLAN TO KEEP STATE INSTITUTIONS WEAK

110. (C) Chatah blamed Hizballah for the violence that has occurred in different parts of Lebanon since the beginning of May. Hizballah has been following the same tactics since 2005, he said, with the objective of marginalizing the state political and security institutions in order to assert itself. Hizballah wants to keep the state system from functioning properly but does not want deterioration into chaos, so it skillfully calibrates its actions to achieve that objective. For example, Hizballah reacted when the government challenged it in May by on its telecom system and the airport, but did not raise the violence above a certain level. While calibrating their disruptive actions, Hizballah is trying to improve its image, Chatah said, "it's a balancing act, and they are carrying it out skillfully".

TOO MANY SUNNI FROM TRIPOLI

11, (C) Asked about the rumored possibility that he might be a minister in the new cabinet, Chatah claimed he prefers a position like the one he has now because being a minister would restrict his flexibility. He also noted that the

BEIRUT 00000942 003 OF 003

political/confessional numbers game does not permit that there be three Sunnis from the city of Tripoli, like Chatah, in the cabinet. Two other Tripolitan Sunnis are likely to be part of it: current Minister of Public Works Mohammed Safadi and the Future movement chief official from Tripoli, Samir Jisr.

SISON